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February 15, 2022

Delegate Maggie McIntosh, Chair House Appropriations Committee 121 House Office Building Annapolis, MD 21401

RE: House Bill 438 – <u>UNFAVORABLE</u> – Washington Metropolitan Transit Authority – Funding Formulas – Alteration (WMATA Dedicated Funding Amendment Act of 2022)

Dear Chair McIntosh and Members of the Appropriations Committee:

The Maryland Asphalt Association is comprised of 18 producer members representing more than 47 production facilities, 24 contractor members, 24 consulting engineer firms and 41 other associate members. We proactively work with regulatory agencies to represent the interests of the asphalt industry both in the writing and interpretation of state and federal regulations that may affect our members. We also advocate for adequate state and federal funding for Maryland's multimodal transportation system.

House Bill 438 modifies the formulas for capital funding grants to the Washington Metropolitan Area Transit Authority ("WMATA") each year. The bill requires MDOT to increase the \$167 million capital grant by 3% annually by redirecting funds within the Transportation Trust Fund ("TTF"). Specifically, MDOT must redirect \$5 million in fiscal year 2025, \$10.2 million in fiscal year 2026, and \$15.5 million in fiscal year 2027 from other projects to provide for additional capital funding.

While this bill does not increase expenditures from the TTF, it reallocates those funds within the TTF to WMATA. We understand that Maryland needs all modes of transportation within the State in order for it to function, and we have never been opposed to transit systems. Unfortunately, without an increase in revenues for the other projects that the TTF funds, we cannot support this legislation. Our position centers around the concern that the funds needed to modify the formulas for WMATA would result in less money available to fund critical repairs to the roads and bridges that form the backbone of Maryland's transportation infrastructure. Transit systems only operate safely when our roads and bridges operate safely first.

We appreciate you taking the time to address this issue and we respectfully urge an unfavorable report on House Bill 438.

Thank you,

Marshall Klinefelter

President

Maryland Asphalt Association